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**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED SEPTEMBER 30, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5/23/11

**Mike Estes, P.C.**  
A Professional Accounting Corporation

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Independent Auditor's Report

Board of Commissioners  
Housing Authority of Haynesville  
Haynesville, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the City of Haynesville, Louisiana as of and for the year ended September 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the City of Haynesville, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of Haynesville, Louisiana, as of September 30, 2010, and the changes in its financial position and its cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2011, on our consideration of the Housing Authority of the City of Haynesville, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Housing Authority of the City of Haynesville, Louisiana. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the Housing Authority of the City of Haynesville, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying Financial Data Schedules required by HUD and other accompanying information identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mike Estes, P.C.  
Fort Worth, Texas  
May 4, 2011

**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**

**REQUIRED SUPPLEMENTAL INFORMATION**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**

**SEPTEMBER 30, 2010**

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Housing Authority of Haynesville, Louisiana  
Management's Discussion and Analysis (MD&A)  
September 30, 2010

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The management of Public Housing Authority of Haynesville, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending September 30, 2010. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

#### FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$924,656 at the close of the fiscal year ended 2010.
  - ✓ Of this amount \$760,139 represents a restriction equal to the net amount invested in land, building, furnishings, leasehold improvements, equipment, and construction in progress.
  - ✓ The remainder of \$164,517 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 27% of the total operating expenses of \$624,162 for the fiscal year 2010, which means the Authority might be able to operate about 3 months using the unrestricted assets alone, which compares favorably with 2 months in the prior fiscal year.
- The Housing Authority's total net assets increased by \$54,873, a 6% change from the prior fiscal year 2009. This increase is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.
- The increase in net assets of these funds was accompanied by an increase in cash and cash equivalents of \$96,450. Rental other, and federal grants exceeded payments to vendor and employees by \$96,450.
- The Authority spent \$39,946 on capital asset additions and \$104,720 on construction in progress during the current fiscal year.
- These changes led to an increase in total assets by \$18,075 and a decrease in total liabilities by \$37,798. As related measure of financial health, there are still over \$3.27 of current assets covering each dollar of total current and long-term liabilities, which compares favorably with \$1.99 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

### **Reporting on the Housing Authority as a Whole**

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2010?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

### **Fund Financial Statements**

All of the funds of the Housing Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net assets and changes in them. One can think of the Housing Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

## **USING THIS ANNUAL REPORT**

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

- Low Rent Public Housing
- Public Housing Capital Fund Program

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Housing Authority of Haynesville, Louisiana  
Management's Discussion and Analysis (MD&A)  
September 30, 2010

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The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

**Reporting the Housing Authority's Most Significant Funds**

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net assets, is an important financial indicator.

**FINANCIAL ANALYSIS**

The Housing Authority's net assets were \$924,656 as of September 30, 2010. Of this amount, \$760,139 was invested in capital assets, and the remaining \$164,517 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general Net Assets.

**CONDENSED FINANCIAL STATEMENTS**

**Condensed Statement of Net Assets  
As of September 30, 2010**

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Current assets	\$ 237,049	\$ 219,530
Capital assets, net of depreciation	<u>760,139</u>	<u>760,583</u>
Total assets	<u>997,188</u>	<u>980,113</u>
<b>LIABILITIES</b>		
Current liabilities	49,994	84,854
Non-current liabilities	<u>22,538</u>	<u>25,476</u>
Total liabilities	<u>72,532</u>	<u>110,330</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of depreciation	760,139	760,582
Unrestricted net assets	<u>164,517</u>	<u>109,201</u>
Total net assets	<u>924,656</u>	<u>869,783</u>
Total liabilities and net assets	<u>997,188</u>	<u>980,113</u>



Housing Authority of Haynesville, Louisiana  
 Management's Discussion and Analysis (MD&A)  
 September 30, 2010

**CONDENSED FINANCIAL STATEMENTS (Continued)**

The net assets of these funds increased by \$54,873, or by 6%, from those of fiscal year 2009, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Fiscal Year Ended September 30, 2010**

	2010	2009
<b>OPERATING REVENUES</b>		
Dwelling rental	\$ 181,573	\$ 167,184
Governmental operating grants	328,696	387,785
Other	25,866	32,577
Total Operating Revenues	536,135	587,546
<b>OPERATING EXPENSES</b>		
Administration	185,137	147,978
Utilities	15,847	15,658
Ordinary maintenance & operations	209,993	241,927
General expenses	69,843	81,056
Depreciation	143,342	137,506
Total Operating Expenses	624,162	624,125
Income (loss) from Operations	(88,027)	(36,579)
Capital Contribution	142,900	28,702
Change in net assets	54,873	(7,877)
Total net assets - beginning	869,783	877,660
Total net assets - ending	\$ 924,656	\$ 869,783

## EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating, non-operating revenues, and capital grants increased \$62,787, or by 10%, from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Federal revenues from HUD for operations decreased by \$59,089, or by 15% from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, as well as other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant. There was a decrease in the number of eligible tenants receiving subsidies, so Housing Assistance Grants decreased accordingly, lowering the overall total.
- Federal Capital Funds from HUD increased by \$114,198 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2007 through 2009, and submitted a new grant during fiscal year 2010.
- Total other operating revenue decreased by \$6,711, or by 20% from that of the prior fiscal year, because the Authority received proceeds from casualty insurance claims, which are recorded as other income by the Authority in the year received.
- Total tenant revenue increased by \$14,389, or by 8% from that of the prior fiscal year, because the amount of rent each tenant pays is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total.

Compared with the prior fiscal year, total operating expenses increased \$37, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense increased by \$5,836, or by 4% from that of the prior fiscal year.
- Maintenance and repairs decreased by \$31,934, or by 13% from that of the prior fiscal year, due to several major factors: Repair staff wages decreased by \$60,791, or by 43%, and related employee benefit contributions increased by \$15,280. Also, materials used decreased by \$18,474, or by 45%, and contract labor costs increased by \$32,052, or by 70%.
- General Expenses decreased by \$11,213, or by 14% from that of the prior fiscal year, and payments in lieu of taxes (PILOT) increased by \$1,420, or by 9%. PILOT is calculated as a percentage of rent (which increased by 9%) minus utilities (which increased 1%), and therefore changed proportionately to the changes in each of these, primarily because insurance premiums increased by \$2,189, or by 5%, since property and casualty insurance premiums increased, whereas other general expenses decreased by \$5,628, or by 37%. Finally, uncollectible rents from vacated units decreased by \$556, or by 22%.

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Housing Authority of Haynesville, Louisiana  
Management's Discussion and Analysis (MD&A)  
September 30, 2010

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- Administrative Expenses increased by \$37,159, or by 26% from that of the prior fiscal year, due to a combination of offsetting factors: Administrative staff salaries decreased by \$11,167, or by 13%, and related employee benefit contributions increased by \$2,732, or by 11%; therefore, total staff salaries and benefit costs decreased by 7%. In addition, audit fees decreased by \$1,470, or by 20%; thus, total outside professional fees increased by 4%. Finally, staff travel reimbursements increased by \$1,793, but sundry expenses increased by \$42,614; therefore, other staff administrative expense increased by 64%.
- Utilities Expense increased by \$189, or by 1% from that of the prior fiscal year, because water cost increased by \$7 and an increase in rate by 1%, electricity cost increased by \$1,084 and an increase in rate by 9%, gas cost decreased by \$936 and a decrease in rate by 29%, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) decreased by \$902, or by 29%.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

#### **Capital Assets**

At September 30, 2010, the Housing Authority had a total cost of \$5,819,127 invested in a broad range of assets and construction in progress from projects funded in 2007 through 2009, listed below. This amount, not including depreciation, represents increases of \$144,666 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

#### **Capital Assets, Net of Accumulated Depreciation As of September 30, 2010**

	<u>2010</u>	<u>2009</u>
Land	\$ 1,534	\$ 1,534
Construction in progress	117,721	13,000
Buildings	559,540	681,692
Leasehold Improvements	28,838	33,942
Furniture and equipment	52,506	30,414
	<hr/>	<hr/>
Total	760,139	760,582

As of the end of the 2010 fiscal year, the Authority is still in the process of completing HUD grants of \$868,359 obtained during 2007 through 2009 fiscal years. A total remainder of \$443,680 will be received and \$371,368 will be spent for completing these projects during fiscal year 2011.

#### **Debt**

Non-current liabilities also include accrued annual vacation and sick leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2011 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

### **CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact A D Williams, at Public Housing Authority of Haynesville, Louisiana; P O Box 751; Haynesville, LA 71038.

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2010

**ASSETS**

## Current assets

Cash and cash equivalents	\$ 136,364
Accounts receivable net	73,459
Prepaid items and other assets	18,731
Restricted assets - cash and cash equivalents	8,495

Total Current Assets	237,049
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## Capital Assets, net

Land and other non-depreciated assets	119,254
Other capital assets - net of depreciation	640,885

Total Capital Assets, net	760,139
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Total Assets	\$ 997,188
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**LIABILITIES**

## Current Liabilities

Accounts payable	\$ 15,557
Deferred revenue	1,257
Compensated absences payable	9,533
Accrued PILOT	15,152
Deposits due others	8,495

Total Current Liabilities	49,994
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## Noncurrent Liabilities

Compensated absences payable	22,538
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Total Liabilities	72,532
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**NET ASSETS**

Invested in capital assets, net of related debt	760,139
Unrestricted	164,517

Net Assets	924,656
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Total Liabilities and Net Assets	\$ 997,188
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET ASSETS  
YEAR ENDED SEPTEMBER 30, 2010

**OPERATING REVENUES**

Dwelling rental	\$ 181,573
Governmental operating grants	328,696
Other	25,866
Total Operating Revenues	<u>536,135</u>

**OPERATING EXPENSES**

Administration	185,137
Utilities	15,847
Ordinary maintenance & operations	209,993
General expenses	69,843
Depreciation	143,342

Total Operating Expenses	<u>624,162</u>
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Income (loss) from Operations	<u>(88,027)</u>
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Capital Contribution	<u>142,900</u>
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Change in net assets	<u>54,873</u>
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Total net assets - beginning	<u>869,783</u>
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Total net assets - ending	<u><u>\$ 924,656</u></u>
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The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2010

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Rental receipts	\$ 156,859
Other receipts	26,417
Federal grants	406,981
Payments to vendors	(193,801)
Payments to employees – net	(300,006)
	<hr/>
Net cash provided (used) by operating activities	96,450
	<hr/>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(142,900)
Federal Capital Grants	142,900
	<hr/>
Net cash provided (used) by capital and related financing activities	0
	<hr/>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	96,450
<b>CASH AND CASH EQUIVALENTS</b>	
Beginning of Fiscal Year	48,409
	<hr/>
<b>CASH AND CASH EQUIVALENTS</b>	
End of Fiscal Year	\$ 144,859
	<hr/>

Continued

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2010

**RECONCILIATION OF OPERATING  
INCOME (LOSS) TO NET CASH  
PROVIDED (USED) BY OPERATING  
ACTIVITIES**

Operating income (loss)	\$ (88,027)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation Expense	143,342
Provision of uncollectible accounts	(1,647)
Change in assets and liabilities:	
Receivables	80,335
Prepaid items	244
Account payables	(15,244)
Deferred revenue	(23,103)
Deposits due others	550
Net cash provided (used) by operations	\$ <u>96,450</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.



HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2010

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**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Housing Authority of the Town of Haynesville have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the state of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Haynesville, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW – 1421	120 Units
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GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the Town of Haynesville since the Town of Haynesville appoints a voting majority of the Housing Authority's governing board. The Town of Haynesville is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Haynesville. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Haynesville.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**

- 1) Appointing a voting majority of an organization's governing body, and:
  - a) The ability of the government to impose its will on that organization and/or
  - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
- 2) Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
- 3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

**B. FUNDS** The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**PROPRIETARY FUNDS** Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2010

**D. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$144,859. This is comprised of cash and cash equivalents of \$136,364 and restricted assets – cash of \$8,495 on the statement of net assets.

**E. INVESTMENTS** Investments are limited to L.S.-R.S. 33:2955 and the Housing Authority investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The Housing Authority reported at amortized cost money market investments participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

**Definitions:**

Interest-earning investment contract includes time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

**F. REVENUE RECOGNITION** Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

**G. INVENTORY** All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2010

**H. PREPAID ITEMS** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**I. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	15-40 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

**J. DEFERRED REVENUES** The Housing Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

**K. COMPENSATED ABSENCES** The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

**L. POST EMPLOYMENT BENEFITS** The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

**M. RESTRICTED NET ASSETS** Net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**

**N. USE OF ESTIMATES** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – DEPOSITS AND INVESTMENTS** The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at September 30, 2010. Deposits are stated at cost, which approximates fair value.

**Interest Rate Risk:** The Housing Authority's policy does not address interest rate risk.

**Credit Rate Risk:** GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

**Custodial Credit Risk:** The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

**Restricted Cash:** \$8,495 is restricted in the General Fund for security deposits.

At September 30, 2010, the Housing Authority's carrying amount of deposits was \$144,859 and the bank balance was \$145,352. The entire balance was covered by FDIC insurance.

**NOTE 3 – ACCOUNTS RECEIVABLE** The receivables at September 30, 2010, are as follows:

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 264
Federal sources:	
Grants	73,195
Total	<u>\$ 73,459</u>

The tenants account receivable is net of an allowance for doubtful accounts of \$4,022.

**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2010**

**NOTE 4 – CAPITAL ASSETS** The changes in capital assets are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 1,534	\$ 0	\$ 0	\$ 1,534
Construction in progress	13,000	104,720	0	117,720
Depreciable assets:				
Exhaustible capital assets				
Buildings	5,503,420	0	1,767	5,501,653
Furniture and equipment	158,274	39,946	0	198,220
Total capital assets	5,676,228	144,666	1,767	5,819,127
Less: accumulated depreciation				
Buildings	4,786,622	126,653	0	4,913,275
Furniture and equipment	129,024	16,689	0	145,713
Total accumulated deprection	4,915,646	143,342	0	5,058,988
Total capital assets, net	\$ 760,582	\$ 1,324	\$ 1,767	\$ 760,139

**NOTE 5 – ACCOUNTS PAYABLE** The payables at September 30, 2010 are as follows:

Vendors	\$ 13,811
Payroll taxes & Retirement withheld	1,746
Total	\$ 15,557

**NOTE 6 – COMPENSATED ABSENCES** At September 30, 2010, employees of the Housing Authority have accumulated and vested \$32,071 of employee leave computed in accordance with GASB, Codification Section C60.

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2010

**NOTE 7 – LONG – TERM OBLIGATIONS** The following is a summary of the long – term obligation transactions for the year ended September 30, 2010.

		Compensated Absences
Balance, beginning	\$	34,775
Additions		1,121
Deductions		3,825
Balance, ending		32,071
Amounts due in one year	\$	9,533

**NOTE 8 – RETIREMENT SYSTEM** The Housing Authority does not have a retirement plan.

**NOTE 9– COMMITMENTS AND CONTINGENCIES**

**Litigation** The Housing Authority is not presently involved in litigation.

**Grant Disallowances** The Housing Authority participates in a number of federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

**Construction Projects** There are certain renovation or construction projects in progress at September 30, 2010. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

**Risk Management** The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

The Housing Authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council Group Self Insured Fund (LHC) risk pool is unable to meet its obligations, the risk to the Housing Authority is only that it s own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.



HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2010

**NOTE 10 – ECONOMIC DEPENDENCE** The Department of Housing and Urban Development provided \$471,596 to the Housing Authority, which represents approximately 69% of the Housing Authority's total revenue and capital contributions for the year.

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Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards

Housing Authority of Haynesville  
Haynesville, Louisiana

We have audited the basic financial statements of the Housing Authority of the City of Haynesville, Louisiana, as of and for the year ended September 30, 2010, and have issued our report thereon dated May 4, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the City of Haynesville, Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Haynesville, Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Haynesville, Louisiana's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency or a combination of deficiencies, in internal control that is less severe than a material, weakness, yet important enough to merit attention by those charged with governance.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Haynesville Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described as Audit Finding 10-01.

The Haynesville Housing Authority's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Haynesville Housing Authority's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mike Estes, P.C.  
Fort Worth, Texas  
May 4, 2011

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2010

**Section I – Summary of the Auditor's Results**

**Financial Statement Audit**

1. Type of Auditor's Report Issued on Financial Statements – Unqualified.

2. Internal Control Over Financial Reporting:

a. Material weakness(es) identified?	<u>          </u>	yes	<u>    ✓    </u>	no
b. Significant deficiency(ies) identified?	<u>    ✓    </u>	yes	<u>          </u>	none reported

3. Noncompliance material to financial statements noted?	<u>          </u>	yes	<u>    ✓    </u>	no
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HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2010

**Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:**

**All Programs**

**10 – 01 – Audit Report Not Timely Filed With The State Of Louisiana**

**Criteria**

State law requires the audit report to be filed no later than six months after the end of the fiscal year. Since the year ended September 30, 2010, the audit report was due by March 31, 2011.

**Statement of Condition**

The Authority did not file the audit report by March 31, 2011 with the Legislative Auditor's Office of Louisiana.

**Effect**

State law was not complied with. In addition, the Board of Commissioners, the Legislative Auditor's Office, and HUD were not able to timely review the audited financial statements.

**Cause**

Adequate information was relayed to the auditor approximately March 10. But, due to other commitments, the auditor was unable to complete the audit and the report by March 31.

**Recommendation**

The Authority should have the year-end information to the fee accountant as early as possible. The Authority should also timely deliver the requested information (separate from the fee-accountant prepared records) to the auditor.

**10 – 01 – Corrective Action Plan**

I am Yolanda Coleman, Assistant Executive Director and Designated Person to answer this finding. In the future, we will follow the above recommendation.

HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED SEPTEMBER 30, 2010

The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:

None

## **SUPPLEMENTARY INFORMATION**

## EXHIBIT D

**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**  
**STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED**

YEAR ENDED SEPTEMBER 30, 2010

**CASH BASIS**

	2007 Capital Fund	2008 Capital Fund	2009 Capital Fund	2010 Capital Fund	2009 Capital Fund Recovery Grant
Funds approved	\$ 165,783	\$ 165,214	\$ 164,750	\$ 163,483	\$ 209,129
Funds expended	141,228	135,487	91,243	4,073	124,960
Excess of funds approved	<u>\$ 24,555</u>	<u>\$ 29,727</u>	<u>\$ 73,507</u>	<u>\$ 159,410</u>	<u>\$ 84,169</u>
Funds advanced	\$ 137,599	\$ 134,258	\$ 27,862	\$ 0	\$ 124,960
Funds expended	141,222	135,487	91,243	4,073	124,960
Excess (deficiency) of funds advanced	<u>\$ (3,623)</u>	<u>\$ (1,229)</u>	<u>\$ (63,381)</u>	<u>\$ (4,073)</u>	<u>\$ 0</u>



**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED SEPTEMBER 30, 2010**

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 236,326
Capital Fund Cluster		
Capital Fund Program	14.872	110,310
American Recovery and Reinvestment Act	14.885	124,960
Total Capital Fund Cluster		<u>235,270</u>
Total United States Department of Housing and Urban Development		\$ <u>471,596</u>
Total Expenditures of Federal Awards		<u>\$ 471,596</u>

**HOUSING AUTHORITY OF HAYNESVILLE, LOUISIANA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED SEPTEMBER 30, 2010**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the City of Haynesville, Louisiana (the "Housing Authority"). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in note 1(C) to the Housing Authority's basic financial statements.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

	<u>Federal Sources</u>
Enterprise funds:	
Governmental operating grants	\$ 328,696
Capital contributions	142,900
Total	\$ <u>471,596</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

**HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE**

**YEAR ENDED SEPTEMBER 30, 2010**

**Entity Wide Balance Sheet Summary**

	Project Total	Total
111 Cash - Unrestricted	\$138,364	\$138,364
112 Cash - Restricted - Modernization and Development	\$0	\$0
113 Cash - Other Restricted	\$0	\$0
114 Cash - Tenant Security Deposits	\$8,495	\$8,495
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0
100 Total Cash	\$144,859	\$144,859
121 Accounts Receivable - PHA Projects	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$73,185	\$73,185
124 Accounts Receivable - Other Government	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0
126 Accounts Receivable - Tenants	\$4,286	\$4,286
126.1 Allowance for Doubtful Accounts - Tenants	-\$4,022	-\$4,022
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0
128 Fraud Recovery	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0
129 Accrued Interest Receivable	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$73,459	\$73,459
131 Investments - Unrestricted	\$0	\$0
132 Investments - Restricted	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0
142 Prepaid Expenses and Other Assets	\$18,731	\$18,731
143 Inventories	\$0	\$0
143.1 Allowance for Obsolete Inventories	\$0	\$0
144 Inter Program Due From	\$0	\$0
145 Assets Held for Sale	\$0	\$0
150 Total Current Assets	\$237,049	\$237,049
161 Land	\$1,534	\$1,534
162 Buildings	\$4,901,858	\$4,901,858
163 Furniture, Equipment & Machinery - Dwellings	\$80,283	\$80,283
164 Furniture, Equipment & Machinery - Administration	\$117,957	\$117,957
165 Leasehold Improvements	\$599,795	\$599,795
166 Accumulated Depreciation	-\$5,058,968	-\$5,058,968
167 Construction in Progress	\$117,720	\$117,720
168 Infrastructure	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$760,139	\$760,139
171 Notes, Loans and Mortgages Receivable - Non-Current		\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due		\$0
173 Grants Receivable - Non Current	\$0	\$0
174 Other Assets		\$0
176 Investments in Joint Ventures		\$0
180 Total Non-Current Assets	\$760,139	\$760,139
190 Total Assets	\$997,188	\$997,188

**HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE**

**YEAR ENDED SEPTEMBER 30, 2010**

**Entity Wide Balance Sheet Summary**

	Project Total	Total
311 Bank Overdraft	\$0	\$0
312 Accounts Payable <= 90 Days	\$13,811	\$13,811
313 Accounts Payable >90 Days Past Due	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$1,746	\$1,746
322 Accrued Compensated Absences - Current Portion	\$9,533	\$9,533
324 Accrued Contingency Liability	\$0	\$0
325 Accrued Interest Payable	\$0	\$0
331 Accounts Payable - HUD PHA Programs		\$0
332 Account Payable - PHA Projects	\$0	\$0
333 Accounts Payable - Other Government	\$15,152	\$15,152
341 Tenant Security Deposits	\$8,495	\$8,495
342 Deferred Revenues	\$1,257	\$1,257
343 Current Portion of Long-term Debt - Capital Projects/Mortgage		\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0
345 Other Current Liabilities	\$0	\$0
346 Accrued Liabilities - Other	\$0	\$0
347 Inter Program - Due To	\$0	\$0
348 Loan Liability - Current		\$0
310 Total Current Liabilities	\$49,994	\$49,994
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$22,538	\$22,538
355 Loan Liability - Non Current		\$0
356 FASB 5 Liabilities	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0
350 Total Non-Current Liabilities	\$22,538	\$22,538
300 Total Liabilities	\$72,532	\$72,532
508.1 Invested in Capital Assets, Net of Related Debt	\$780,139	\$780,139
509.2 Fund Balance Reserved		
511.2 Unreserved, Designated Fund Balance		
511.1 Restricted Net Assets	\$0	\$0
512.1 Unrestricted Net Assets	\$164,517	\$164,517
512.2 Unreserved, Undesignated Fund Balance		
513 Total Equity/Net Assets	\$924,656	\$924,656
600 Total Liabilities and Equity/Net Assets	\$997,188	\$997,188

**HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE**

**YEAR ENDED SEPTEMBER 30, 2010**

**Single Project Revenue and Expense**

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$181,573	\$0	\$181,573
70400 Tenant Revenue - Other	\$6,165	\$0	\$6,165
70500 Total Tenant Revenue	\$187,738	\$0	\$187,738
70600 HUD PHA Operating Grants	\$236,326	\$76,695	\$313,021
70610 Capital Grants	\$0	\$33,615	\$33,615
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$0	\$0	\$0
71200 Mortgage Interest Income	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0
71500 Other Revenue	\$19,701	\$0	\$19,701
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$443,765	\$110,310	\$554,075
91100 Administrative Salaries	\$77,371	\$21,118	\$98,489
91200 Auditing Fees	\$8,030	\$0	\$8,030
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$40	\$0	\$40
91500 Employee Benefit contributions - Administrative	\$27,021	\$0	\$27,021
91600 Office Expenses	\$22,545	\$0	\$22,545
91700 Legal Expense	\$0	\$0	\$0
91800 Travel	\$2,143	\$0	\$2,143
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$13,002	\$192	\$13,194
91000 Total Operating - Administrative	\$148,152	\$21,310	\$169,462
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0
92400 Tenant Services - Other	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$0

**HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE**

**YEAR ENDED SEPTEMBER 30, 2010**

**Single Project Revenue and Expense**

	Low Rent	Capital Fund	Total Project
93100 Water	\$789	\$0	\$789
93200 Electricity	\$12,805	\$0	\$12,805
93300 Gas	\$2,239	\$0	\$2,239
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$34	\$0	\$34
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$15,847	\$0	\$15,847
94100 Ordinary Maintenance and Operations - Labor	\$81,036	\$41,438	\$122,472
94200 Ordinary Maintenance and Operations - Materials and Other	\$18,382	\$3,882	\$22,264
94300 Ordinary Maintenance and Operations Contracts	\$26,087	\$10,067	\$36,154
94500 Employee Benefit Contributions - Ordinary Maintenance	\$29,093	\$0	\$29,093
94000 Total Maintenance	\$154,608	\$55,385	\$209,993
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$32,101	\$0	\$32,101
96120 Liability Insurance	\$5,044	\$0	\$5,044
96130 Workmen's Compensation	\$3,770	\$0	\$3,770
96140 All Other Insurance	\$5,628	\$0	\$5,628
96100 Total Insurance Premiums	\$46,543	\$0	\$46,543
96200 Other General Expenses	\$0	\$0	\$0
96210 Compensated Absences	\$4,714	\$0	\$4,714
96300 Payments in Lieu of Taxes	\$16,573	\$0	\$16,573
96400 Bad debt - Tenant Rents	\$2,013	\$0	\$2,013
96500 Bad debt - Mortgages	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$23,300	\$0	\$23,300
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$388,460	\$76,885	\$465,345
97000 Excess of Operating Revenue over Operating Expenses	\$55,315	\$33,615	\$88,930

HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE

YEAR ENDED SEPTEMBER 30, 2010

Single Project Revenue and Expense

	Low Rent	Capital Fund	Total Project
97100 Extraordinary Maintenance	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$130,024	\$13,318	\$143,342
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$518,474	\$90,013	\$608,487
10010 Operating Transfer In	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$74,709	\$20,297	-\$54,412
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$834,354	\$35,429	\$869,783
11040 Prior Period Adjustments, Equity Transfers and Correction of	\$109,285	\$0	\$109,285
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1440		1440
11210 Number of Unit Months Leased	1386		1386
11270 Excess Cash	\$135,704		\$135,704
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$0	\$68,031	\$68,031
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$10,318	\$10,318
11640 Furniture & Equipment - Administrative Purchases	\$0	\$27,661	\$27,661
11650 Leasehold Improvements Purchases	\$0	\$16,690	\$16,690
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE**

**YEAR ENDED SEPTEMBER 30, 2010  
Entity Wide Revenue and Expense Summary**

	Project Total	14.885 Formula Capital Fund Stimulus Grant	Total
70300 Net Tenant Rental Revenue	\$377,988	\$0	\$377,988
70400 Tenant Revenue - Other	\$123,727	\$0	\$123,727
70500 Total Tenant Revenue	\$501,695	\$0	\$501,695
70600 HUD PHA Operating Grants	\$509,647	\$12,138	\$521,785
70610 Capital Grants	\$61,859	\$218,029	\$279,888
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$7,761	\$0	\$7,761
71200 Mortgage Interest Income	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0
71500 Other Revenue	\$33,996	\$0	\$33,996
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0
70000 Total Revenue	\$1,114,958	\$230,167	\$1,345,125
91100 Administrative Salaries	\$124,275	\$0	\$124,275
91200 Auditing Fees	\$10,830	\$0	\$10,830
91300 Management Fee	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0
91400 Advertising and Marketing	\$135	\$0	\$135
91500 Employee Benefit contributions - Administrative	\$30,045	\$0	\$30,045
91600 Office Expenses	\$26,021	\$0	\$26,021
91700 Legal Expense	\$2,395	\$0	\$2,395
91800 Travel	\$1,748	\$0	\$1,748
91810 Allocated Overhead	\$0	\$0	\$0
91900 Other	\$6,246	\$12,138	\$18,384
91000 Total Operating - Administrative	\$201,695	\$12,138	\$213,833
92000 Asset Management Fee	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$23,691	\$0	\$23,691
92200 Relocation Costs	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$4,525	\$0	\$4,525
92400 Tenant Services - Other	\$659	\$0	\$659
92500 Total Tenant Services	\$28,875	\$0	\$28,875



**HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE**

**YEAR ENDED SEPTEMBER 30, 2010**

**Entity Wide Revenue and Expense Summary**

	Project Total	14.685 Formula Capital Fund Stimulus Grant	Total
93100 Water	\$769	\$0	\$769
93200 Electricity	\$12,805	\$0	\$12,805
93300 Gas	\$2,239	\$0	\$2,239
93400 Fuel	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0
93600 Sewer	\$34	\$0	\$34
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0
93000 Total Utilities	\$15,847	\$0	\$15,847
94100 Ordinary Maintenance and Operations - Labor	\$122,472	\$0	\$122,472
94200 Ordinary Maintenance and Operations - Materials and Other	\$22,264	\$0	\$22,264
94300 Ordinary Maintenance and Operations Contracts	\$36,164	\$0	\$36,164
94500 Employee Benefit Contributions - Ordinary Maintenance	\$29,093	\$0	\$29,093
94000 Total Maintenance	\$209,993	\$0	\$209,993
95100 Protective Services - Labor	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$32,101	\$0	\$32,101
96120 Liability Insurance	\$5,044	\$0	\$5,044
96130 Workmen's Compensation	\$3,770	\$0	\$3,770
96140 All Other Insurance	\$5,628	\$0	\$5,628
96100 Total Insurance Premiums	\$46,543	\$0	\$46,543
96200 Other General Expenses	\$0	\$0	\$0
96210 Compensated Absences	\$4,714	\$0	\$4,714
96300 Payments in Lieu of Taxes	\$16,573	\$0	\$16,573
96400 Bad debt - Tenant Rents	\$2,013	\$0	\$2,013
96600 Bad debt - Other	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0
96000 Total Other General Expenses	\$23,300	\$0	\$23,300
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$485,145	\$15,675	\$480,820
97000 Excess of Operating Revenue over Operating Expenses	\$86,930	\$109,285	\$198,215

**HOUSING AUTHORITY OF HAYNESVILLE  
FINANCIAL DATA SCHEDULE**

**YEAR ENDED SEPTEMBER 30, 2010**

**Entity Wide Revenue and Expense Summary**

	Project Total	14,586 Formula Capital Fund Stimulus Grant	Total
97100 Extraordinary Maintenance	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0
97400 Depreciation Expense	\$143,342	\$0	\$143,342
97500 Fraud Losses	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense	\$0	\$0	\$0
90000 Total Expenses	\$808,487	\$15,675	\$824,162
10010 Operating Transfer In	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government		\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0		\$0
10092 Inter Project Excess Cash Transfer Out	\$0		\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$54,412	\$109,285	\$54,873
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$889,783	\$0	\$889,783
11040 Prior Period Adjustments, Equity Transfers and Correction of	\$109,285	-\$109,285	\$0
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1440	0	1440
11210 Number of Unit Months Leased	1386	0	1386
11270 Excess Cash	\$135,704		\$135,704
11610 Land Purchases	\$0		\$0
11620 Building Purchases	\$88,031		\$88,031
11630 Furniture & Equipment - Dwelling Purchases	\$10,318		\$10,318
11640 Furniture & Equipment - Administrative Purchases	\$27,881		\$27,881
11650 Leasehold Improvements Purchases	\$18,690		\$18,690
11660 Infrastructure Purchases	\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0